

# The key to a quarter century of success is the Stewart philosophy 'Don't follow fad nor fancy.'

Story & photos by Corinne Patterson

arming and ranching are like most industries — there are businesses that come and go and those that remain leaders for decades. Certain business philosophies are more successful than others, and certain operators are destined to write the next chapters in history.

The Stewarts' family business near Greensburg, Ind., is one that has stood the test of time. As leaders in providing seed and Angus genetics, the Stewarts have been featured in many publications, telling ag's story through their research and knowledge of the industry.

When the American Angus Association purchased the *Angus Journal* in 1978, it was Gilman Stewart, then president of the Association, who signed the papers to make the

purchase official. The Stewart farm was featured in that first, flagship issue under Association ownership.

The July 1979 article told how Arthur Stewart, Gilman's father, became a leader in the hybrid corn business and how Gilman and his brother, John, joined the business after graduating from Purdue University and serving their country during World War II. It was Gilman's love of livestock, a legacy from his father, that brought Angus cattle to the Indiana farm in 1955. The Stewarts began their commitment to Angus nearly 50 years ago and remain an active provider of Angus seedstock by focusing on consistency both in the cattle and in their caretakers.

The Stewart storybook is not yet complete. Gilman and John are now retired, but they left the operation in good hands. The third generation to manage the family business includes Tom Stewart, company president; Steve Gunn, vice president of farming operations; and Jim Stewart, secretary-treasurer. The three keep watch over the seed plant, farming and feeder cattle enterprises, while the same herd manager noted in the 1979 article remains in charge of the registered Angus operation.

Ohio native Dave Smith has been at the helm of Stewart Seeds Angus for 31 years. The operation has grown from a 120-cow herd in 1979 to 160 cows in 2004. Smith isn't blood relation to the Stewarts, but says they have always made him feel like family. It's a high level of trust — a partnership — that has helped Stewart Seeds Angus flourish in the cattle business. CONTINUED ON PAGE 150

> ► Above: Dave and Karen Smith have been at Stewart Seeds Angus for 31 years.

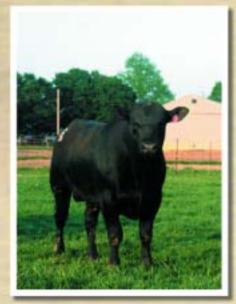
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"You have got to have a trust level with your customer, and Dave has got that," Jim says. "People buy from Dave as much as they buy from Stewart Seeds, if not more. Dave's the reason they keep coming back."

# The next chapter

When the Stewart herd was established in 1955, the showring popularized genetic lines, and herds with show winners were considered the leaders. While the Stewarts had many champions, it was clear in 1979 that Gilman wanted to change course and focus on data and performance information, not just phenotypic traits selected by judges.

Performance records for the Stewart herd date back to 1962, with the information converted to Angus Herd Improvement Records (AHIR) in 1973. From that point



► Selling bulls to commercial cattlemen is the main focus of the Stewart operation. They have been collecting performance data since 1962 to help make selection decisions.

forward, breeding goals have been based on performance information with the commercial cattleman in mind.

"I think that is a lot bigger market," Jim says of the commercial beef industry. "It's a lot more important market for the Angus industry. I think in the long run we will stick with what we know works."

Smith and Jim recognize one of Granddad Arthur's philosophies — "Don't follow fad nor fancy" — as a key to remaining genetic leaders in cattle and seed (see accompanying sidebar).

Performance testing has held the Stewart herd true to course. Smith generally sends three sire groups, a total of six or nine bulls, to the Indiana Beef Evaluation Program (IBEP) test near Bedford. The remaining bulls are placed on a 112- or 115-day test at the farm headquarters, which allows Smith to see how the bulls perform.

"It's probably more important to me than it is to people who buy our bulls," Smith says of the performance data he records. "Hopefully, down the road, it will continue to be more and more important."

Perhaps the No. 1 concern of Stewart's bull customers is birth weight (BW). While Smith takes BW expected progeny differences (EPDs) into consideration, he still considers Angus a calving ease breed and tries to keep both BW and performance in perspective.

"I hope that some day we can come up with some kind of graph to show commercial cattlemen that most Angus are calving ease," Smith says, pointing out that 40-50 years ago the entire breed was considered to be calving ease cattle. "We got carried away with extreme growth and did get off of some of the calving ease, but Angus is generally a calving ease breed compared to the others.

► The majority of the cow herd has been born and raised on Stewart ground. The cow herd has been closed for nearly 10 years, with only proven AI sires used for matings.



"The commercial producer needs middleof-the-road, balanced-trait cattle that are good in all areas, but not extreme in all areas," he adds.

Stewart Seeds Angus is in the business of providing bulls to commercial cattlemen, Smith says, which is evident in their slogan, "Bulls 'R' Us." Embryo transfer (ET) was used from 1982 to 1995, and artificial insemination (AI) has been used since the 1960s. Through selective breeding and a hard-nosed approach to culling, Smith feels that any cow on the place can raise a bull that will make the sale group. Ultrasound data has been collected since 1995, which has aided in genetic selection.

The Stewart herd is a closed herd; no outside genetics have been purchased for more than a decade, except semen from proven AI sires. This practice, Smith feels, has made the herd more consistent, not only in its genetics, but also in age by maintaining a short calving season. The majority of the calves are born in January, and the Stewarts are finished calving by March.

More than 65 bulls are sold off the farm by private treaty each spring, as are a few replacement females and older cows. Smith focuses on doing things right — not just doing it to get it done — and tries to share the fruits of his labor with his bull buyers.

"With the AIMS (Angus Information Management Software) program, all of our records are available to any customer," Smith says. "We try to show customers that the cattle have some performance information to back them up, make them more predictable and be more profitable for the purchaser."

#### **Partnering with industry**

Remaining a leader in today's marketplace continues to rely on building relationships, or alliances, with other cattlemen and segments of the industry. It doesn't matter how clearly defined a partnership becomes, realizing that a common goal is desired and capitalizing on that potential is the key to the future, Smith says.

Within a 100-mile radius, the Stewarts have been able to build relationships with several segments of the industry.

The multifaceted partnership began with John Evans, who operates Evans Beef only 20 miles from the Stewarts. The entire Evans family helps operate the feedlot, cow-calf and freezer beef enterprises.

The Evans family homesteaded their place in 1834 and are longtime cattle feeders. John joined his family's operation full time in 1942, and he fed cattle long enough to know what kind finished best. He eventually



became an order buyer, and by seeing the carcasses hanging in the cooler, Evans realized Angus genetics were his best investment.

Evans was familiar with Stewart Seeds, and he knew that they offered the genetics he wanted.

"Stewarts have always proven that when they do anything, they do it right," Evans remarks. "They put their whole selves into whatever they do. Whether it was cattle, seed corn or beans, they put in the necessary ingredients to get back a quality product. They got ahold of a herdsman who cares just like the cattle were his. He does an excellent job. They put enough into the genetics behind those cattle that they are superior black cattle."

Evans purchased feeder calves out of Tennessee in an area where the cow herd was highly Charolaisand Hereford-influenced. This opened the door for him to bring Stewart bulls to commercial



► Jim Stewart says his family seeks to provide high-quality genetics, whether it is Angus cattle or corn seed. Jim works with family members Tom Stewart and Steve Gunn to run the seed plant. cattlemen — not for pay, but in hopes of purchasing better calves down the road.

"I got to taking one of Stewart's black bulls down there, not with the promise but with hopes of getting some of those calves back from those bulls, which did happen. I suppose over the years I have taken more than 25 Stewart bulls to Tennessee, and I still get some calves out of those herds."

It's proven to be a successful business endeavor, which Evans sees firsthand results through the quality Angus product he sells ► Left: Feeder calves are purchased to feed the byproducts from the seed plant business.

► Below: The handling facility has been updated since the Stewart operation was featured in the 1979 Angus Journal. This improvement has made working cattle much easier for Smith and John Schwering, another cowhand who has worked for the Stewarts for 28 years.



to customers through his freezer beef program.

As the partnership grew, Smith began using Evans as a reference to other commercial cattlemen who use Stewart Seeds Angus bulls. Evans says he'll pay a premium for Stewart Angus-sired calves.

John Egenolf of Triple E Farm near Worthington, Ind., has used Stewart bulls for many years. Egenolf runs 250 cows and says CONTINUED ON PAGE 152

# **Stewart Seeds Inc.**

Arthur Stewart sold his first seed corn to a few neighbors in 1918. From that point forward, the Stewart name has been associated with high-quality seed corn, soybeans and wheat through its dedication to research led by Dave Nanda and Brian McBlain.

Tom Stewart, company president; Steve Gunn, vice president of farming operations; and Jim Stewart, secretary-treasurer, represent the third generation of Stewarts to manage the family business.

Stewart Seeds has about 60 full-time employees, which include five people involved in breeding corn, soybeans and wheat; a sales staff that covers Indiana, Illinois and Ohio; and an experienced production and processing crew. Crop production stretches across 3,500 acres.

Like the Angus seedstock operation, the seed business has found that building partnerships within the industry leads to greater success.

One partnership in which the Stewarts participate is the CORE Group Inc., which is in its eighth year. The group includes regional-based companies in Pennsylvania, Nebraska, Iowa, Indiana, Wisconsin, Illinois, South America and Europe that work together to market a common brand name in addition to individual brand names.

"We have common marketing efforts, but then we also have some common research efforts where we coordinate some of our testing to try to get more locations to evaluate products and exchange ideas and information, whether it is on packaging, new treatments, traits, etc.," Jim says. "How we can work together to learn from one another is probably one of the biggest things that we have gotten out of it in addition to the marketing side of it."

Another industry advantage Stewarts have is their greenhouses, a luxury that many family operations do not have.

Built in the late 1990s, the greenhouses have allowed corn and soybean breeders to gain several generations per year, speeding up the development and incorporation of new traits. Research and knowing how the product will perform is something that Stewarts take pride in.

Jim says, "The goal there is to find better-performing products in corn and soybeans that will work for our customers, no different than Dave [Smith] does in trying to come up with better-performing bulls that are going to meet the long-term goals of the commercial cowman."

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Stewart bulls have the balance of traits that he seeks to provide through his herd. "I think people have learned that a more average, moderate cow — especially over the course of her life — is going to do more for you than one that is way out on a limb somewhere on the extreme," Egenolf says.

"We feel like Stewart's bull selection is helping us with that," he continues. "There are other people that can also ... But we feel like [the Stewarts] are doing a real good job of helping us by having the right kind of bulls to pick from. Then it is our job, hopefully with them, to try to get the correct bull that's going to help us with what we are trying to do."

Through Smith's contact with Evans, Egenolf calves backgrounded on their farm have been purchased for the last four years by the Evans family to be finished in their lot. Many of these same calves then end up under the Evans Beef label and are marketed directly from the Evans farm as specialty steaks, ground beef, roasts, beef jerky and a variety of packages.

It's a partnership that has evolved and includes a seedstock producer, a commercial cowman, a backgrounder, a cattle buyer, a feeder and a product salesman.

"I think one way or another today you've got to make some alliances with somebody," Egenolf says. "Just having a commodity for



sale is not going to help the seller, and the buyer isn't going to know what he is purchasing without some background [information]. And that comes about through alliances or cooperation between different parts of the beef industry. I think it's probably more important today than ever."

#### The next 25 years

Smith has spent his first three decades at Stewart Seeds Angus with a strong focus on the entire industry. With the support of his wife, Karen, and the Stewart family, he has

# **Focus on partners**

Partnerships aren't always well-defined, and many times, form out of convenience or happenstance. For three beef operations in southeastern Indiana, working together has proven successful. From the seedstock segment to the end product, each operation contributes in its own way, but quality Angus cattle are a common goal of all.

## **Stewart Seeds Angus, established 1955**

Greensburg, Ind.

- Dave Smith, herd manager
  - 160 registered Angus cows
  - Cattle merchandised by private treaty, consignment sales and bull test sales

## **Triple E Farm, established 1974**

Worthington, Ind.

- George, John and Phil Egenolf and family
  - ▶ 250-head crossbred cow-calf operation that uses Angus bulls exclusively
  - Background home-raised calves and a few purchased calves to be sold in semi-load lots

## **Evans Beef, established 1834**

Greensburg, Ind.

John and Larry Evans and family

- ► Longtime cattle feeders who finish about 750 head per year
- ► John became an order buyer around 1980
- Small commercial cow herd managed by the youngest generation
- The freezer beef business grew from family members and friends seeking a quality beef product, and now approximately 9,000-10,000 pounds of product are sold each month.

► Left: John Evans has been a longtime supporter of Stewart Seeds Angus because he knows their genetics work for commercial cattlemen. He feeds several calves from Stewart bulls for his freezer beef business.

► Below: Angus genetics make for an ideal beef product. Evans sells nearly 9,000-10,000 lb. of beef each month directly from his farm.



taken on leadership roles within the beef industry.

Following in Gilman's footsteps as an American Angus Association Board member has meant a lot to Smith. Gilman took the time to introduce Smith to several Angus leaders in those first years he worked for him,

which left a good impression and solid desire to be a leader for the beef industry.

"I feel an obligation to the Stewart family to do the work I have before me here at Stewart Seeds Angus. They have given me the opportunity to do things cattle-related, away from being right here at home, away from the manual labor, everyday type of things, which has been such a great education. I hope I can bring some things back here to use to improve our Angus operation."

After all these years, Smith remains dedicated to the beef industry and to raising cattle to fit consumer demand.

"It's a good cause," Smith says of raising cattle. "Sitting right here, are we doing something to feed the world? Yeah, we are really. It's a long way from the end, but hopefully we are doing something to make an impression, have an effect on making our food supply better. We have such a good product. ... One thing about it, everybody is going to have to eat."